

Message Text

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PAGE 01 LAGOS 00740 211913Z
ACTION H-02

INFO OCT-01 AF-08 ISO-00 EB-08 IO-13 AID-05 IGA-02 COME-00
TRSE-00 /039 W

-----220414Z 000588 /63

R 211453Z JAN 77
FM AMEMBASSY LAGOS
TO SECSTATE WASHDC 8781

UNCLAS LAGOS 0740

PASS TO J. BLANEY, EB/IFD/ODF

E.O. 11652 : NA
TAGS : EFIN, EAID, OREP, NI
SUBJ : SENATOR GRAVEL'S PAPER ON TAXATION FOR DEVELOPMENT ASSISTANCE

REF: A) STATE 4496; B) STATE 9837

1. APPRECIATE OPPORTUNITY TO COMMENT ON SENATOR GRAVEL'S PAPER. SINCE NIGERIA'S OIL REVENUES PLACES IT OUT OF RANKS OF THE LEAST DEVELOPED COUNTRIES, NIT LIKELY NIGERIA WILL BE ELIGIBLE TO RECEIVE SUBSTANTIAL DEVELOPMENT ASSISTANCE (ODA) ENVISIONED BY GRAVEL PROPOSAL.

2. NONETHELESS, ANTICIPATE CONSIDERABLE BENEFITS FROM PLAN. US NON-ATTAINMENT OF 0.7 PERCENT ANNUAL GNP OFFICIAL DEVELOPMENT ASSISTANCE GOAL HAS LED TO SIGNIFICANT DISTRUST OF USG SINCERRITY IN PROMOTING LDC DEVELOPMENT. PLAN'S GOAL TO FUND ACHIEVEMENT OF THIS OBJECTIVE CAN HELP OBIVATE THIS DISTRUST. IN ADDITION, PLANNED FUNDING OF ODA THROUGH TAXATION OF US MULTINATION CORPORATIONS AND EMPHASIS ON CORPORATE ETHICS SHOULD REDUCE SUSPICION ON PART OF MANY NIGERIANS OF US MULTINATIONS' MOTIVES AND ACTIVITIES ABROAD. FEEL THIS IS PARTICULARLY IMPORTANT IN NIGERIA WHERE POLITICAL AND ACADEMIC LEADERSHIP'S EMPHASIS OF NIGERIAN CONTROL OF COUNTRY'S ECONOMIC DESTINY MUST BE RECONCILED WITH FMG AND USG POLICIES TO ATTRACT GREATER
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U.S. INVESTMENT HERE.

3. ONLY POSSIBLE PROBLEM SEEN IN PAPER IS THE USE OF BINDING INTERNATIONAL ARBITRATION OF DISPUTES BETWEEN MULTINATIONALS AND HOST COUNTRIES. GRAVEL PAPER SUGGESTS ICSID AS ARBITRATION VEHICLE. FMG HAS ARGUED IN PAST THAT ICSID MAKES BILATERAL OPIC AGREEMENT UNNECESSARY. ALTHOUGH

FMG HAS DROPPED THIS ARGUMENT FOR TIME BEING,
INCORPORATION OF ICSID AS PART OF GRAVEL PLAN WOULD TEND
TO UNDERMINE OPIC'S POSITION IN NIGERIA.
EASUM

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LESS DEVELOPED COUNTRIES, TAXES, FOREIGN ASSISTANCE, DEVELOPMENT PROGRAMS
Control Number: n/a
Copy: SINGLE
Sent Date: 21-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LAGOS00740
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770023-1008
Format: TEL
From: LAGOS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770130/aaaabaev.tel
Line Count: 66
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 220b61d3-c288-dd11-92da-001cc4696bcc
Office: ACTION H
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 STATE 4496, 77 STATE 9837
Retention: 0
Review Action: RELEASED, APPROVED
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Review Date: 16-Sep-2004 12:00:00 am
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3540399
Secure: OPEN
Status: NATIVE
Subject: SENATOR GRAVEL'S PAPER ON TAXATION FOR DEVELOPMENT ASSISTANCE
TAGS: EFIN, EAID, OREP, NI, US
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/220b61d3-c288-dd11-92da-001cc4696bcc
Review Markings:
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